

SUPERIOR COURT OF JUSTICE
- COMMERCIAL LIST



THE HONOURABLE MR.
JUSTICE ROBERT A. BLAIR

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)

TUESDAY, THE 20TH DAY
OF JUNE, 2000



IN THE MATTER OF
CONFEDERATION LIFE INSURANCE COMPANY
AND IN THE MATTER OF THE
INSURANCE COMPANIES ACT, S.C. 1991, AS AMENDED
AND IN THE MATTER OF THE
WINDING-UP ACT, R.S.C. 1985, C.W-11, AS AMENDED

B E T W E E N:

THE ATTORNEY GENERAL OF CANADA

Applicant

- and -

CONFEDERATION LIFE INSURANCE COMPANY

Respondent

O R D E R

THIS MOTION, brought by KPMG Inc., the liquidator (the "Liquidator") of Confederation Life Insurance Company ("Confed"), was heard this day at 393 University Avenue, Toronto, Ontario.

ON READING the Report of the Liquidator dated June 15, 2000, filed, and upon hearing the submissions of counsel for the Liquidator,

1. **THIS COURT ORDERS** that the service made of the Notice of Motion and supporting materials herein is good and sufficient notice of this motion, that this motion is properly returnable today and that any further service of the Notice of Motion and supporting materials be and the same is hereby dispensed with.

2. **THIS COURT ORDERS** that the Liquidator be and it is hereby authorized to send a list setting out the claims which it has determined ought to be admitted in substantially the form attached hereto as Schedule "A" (the "Allowed Claims Sheet"), from time to time, as it considers appropriate.

3. **THIS COURT ORDERS** that the Liquidator be and it is hereby authorized to mail to each person who filed a proof of claim in the estate of Confed a letter in substantially the form attached hereto as Schedule "B" enclosing a copy of the Allowed Claims Sheet, from time to time, as it considers appropriate.

4. **THIS COURT ORDERS** that any creditor or claimant wishing to object to any claim included on an Allowed Claims Sheet (an "Objecting Creditor") shall serve a written objection on the creditor or claimant whose claim is being objected to (the "Subject Creditor") including brief reasons for the objection, such service to be effected by means of prepaid registered mail, facsimile or courier and to be received by the Subject Creditor within twenty-five (25) days of the date of the letter referred to in paragraph 3 hereof.

5. **THIS COURT ORDERS** that any Objecting Creditor shall serve a copy of the written objection on the Liquidator, together with proof of service of same on the Subject Creditor, such service to be effected by means of prepaid registered mail, facsimile or courier and to be received by the Liquidator within twenty-five (25) days of the date of the letter referred to in paragraph 3 hereof.

6. **THIS COURT ORDERS** that the Subject Creditor shall have six (6) days after receipt of an objection to answer the objection in writing and to serve such answer on the Objecting Creditor and to the Liquidator by means of prepaid registered mail, facsimile or courier.

7. **THIS COURT ORDERS** that an Objecting Creditor shall have three (3) days after receipt of an answer from a Subject Creditor to reply in writing and to serve such reply on the Subject Creditor and the Liquidator by means of prepaid registered mail, facsimile or courier.

8. **THIS COURT ORDERS** that where any time period referred to in paragraphs 4 through 7 hereof expires on a day that is a Saturday, Sunday or holiday in the jurisdiction in which the creditor required to effect service resides, service is to be effected on the next business day thereafter.

9. **THIS COURT ORDERS** that where an objection has been raised and the parties are unable to resolve the objection, the Liquidator may seek further directions from this Court or the creditors in question may bring a motion to have the contestation heard by this Court.

10. **THIS COURT ORDERS** that where, after a claim has been duly objected to and the Subject Creditor does not answer the objection, this Court may, on the application of the Objecting Creditor, make an order barring the claim or such other order with reference thereto as appears right.

11. **THIS COURT ORDERS** that with respect to any claims listed on an Allowed Claims Sheet to which no objection was received within twenty-five (25) days from the date of the letter referred to in paragraph 3 hereof, the Liquidator may seek the approval of this Court

with respect to such claims and no further objections may be raised by any creditors or claimants.

12. **THIS COURT ORDERS** that the process set out in this Order shall not be required for the admission of a claim to the estate which has been the subject of a final decision of the Court.


13. **THIS COURT ORDERS** that any claims filed with the Liquidator after February 15, 2000 and before the date of this order shall be treated as if they were timely filed and that distributions be made in respect of those claims in the ordinary course.

14. **THIS COURT ORDERS** that any claims payable in foreign currency shall be converted to Canadian currency at the Bank of Canada noon spot rate of exchange for exchanging such currency to Canadian currency on August 12, 1994.

ENTERED AT/INSCRIT À TORONTO
ON/BOOK NO:
LE/DANS LE REGISTRE NO:

JUN 22 2000

PER/PAR:



L. Registrar

**THE ATTORNEY GENERAL OF
CANADA**

and

**CONFEDERATION LIFE INSURANCE
COMPANY**

Commercial List Court File No: 97-BK-000543

Applicant

Respondent

**SUPERIOR COURT OF JUSTICE
– COMMERCIAL LIST**

Proceeding commenced at Toronto

ORDER

GOODMAN PHILLIPS & VINEBERG

Barristers & Solicitors
250 Yonge Street
Suite 2400, Box 24
Toronto, Ontario
M5B 2M6

Gale Rubenstein\LSUC # 17088E

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Solicitors for KPMG Inc., the Liquidator of
Confederation Life Insurance Company

G26\4323465.4

SCHEDULE "A"

LIST OF CLAIMS TO BE ADMITTED

Name of Creditor	Address and Fax Number	Amount Claimed	Amount Allowed

G26\4325983

“SCHEDULE B”

[LETTERHEAD OF CONFEDERATION LIFE INSURANCE COMPANY]

[Date]

To All Persons who filed Claims with the Liquidator:

Re: Confederation Life Insurance Company, in Liquidation

The Liquidator will file a Statement of Claimants and Creditors (“the Statement”) with the Office of the Superintendent of Financial Institutions in accordance with Part III of the *Winding-up Act* (now the *Winding-up and Restructuring Act*) (the “Act”). The Statement includes those persons from whom the Liquidator called for claims pursuant to the Order of the Court dated October 7, 1999 and who filed claims in response. Inclusion on the Statement with a nil amount indicates that the person’s claim has either been disallowed by the Liquidator, is still in the process of being reviewed by the Liquidator or is the subject of a dispute. The Liquidator is still in the process of reviewing the claims filed. The Statement will be amended from time to time to reflect the results of the process described below.

The attached listing sets out the claims that the Liquidator will recommend be approved by the Ontario Superior Court of Justice (the “Court”) together with the addresses of the creditors.

If your claim does not appear on the attached listing, it does not mean that your claim has been or will be disallowed. You will hear from the Liquidator when your claim has been reviewed and a determination of the merits of the claim has been made. The process described below will be followed from time to time as the Liquidator is in a position to recommend further claims be admitted. You do not need to take any further steps in the meantime.

In accordance with the Act, any creditor may object to any claim filed with the Liquidator. The procedure for objecting to a claim is as follows:

1. A creditor who wishes to object to a claim (an “Objecting Creditor”) must serve a written objection on the creditor whose claim is being objected to (a “Subject Creditor”) including brief reasons for the objection, such service must be made by prepaid registered mail, facsimile or courier and received by the Subject Creditor within twenty-five (25) days of the date of this letter.
2. The Objecting Creditor must also serve a copy of the written objection on the Liquidator at the address set out below, together with a copy of proof of prior service of the objection on the Subject Creditor, such service must be made by prepaid registered mail, facsimile or courier and received by the Liquidator within twenty-five (25) days of the date of this letter.
3. A Subject Creditor has six (6) days after receipt of an objection to answer the objection in writing and to serve such answer on the Objecting Creditor and the Liquidator by means of

prepaid registered mail, facsimile or courier. If the Subject Creditor does not answer the objection, the Court may, on the application of the Objecting Creditor, make an order barring the claim.

4. The Objecting Creditor has three (3) days after receipt of an answer from a Subject Creditor to reply in writing and to serve such reply on the Subject Creditor and the Liquidator by means of prepaid registered mail, facsimile or courier.
5. Where any time period referred to in paragraphs 1 through 4 above expires on a Saturday, Sunday or holiday in the jurisdiction in which the creditor required to effect service resides, service is to be effected on the next business day thereafter.
6. Where an objection has been raised and the parties are unable to resolve the objection, the Liquidator may seek further directions from the Court or may advise the creditors in question to bring a motion to have the contestation heard by the Court. If you object to a claim and the matter is heard by the Court, you may be liable for costs. In addition, security for costs may be sought in advance of the hearing.
7. The above process will not apply to claims being adjudicated by the Court.

If there are no objections to the claims set out in the attached listing within twenty-five (25) days of the date of this letter, the Liquidator will recommend the admission of those claims to the Court. Once the twenty-five day period expires, no further objections may be made. The Liquidator will seek an Order of the Court approving the admission of the claim to the estate for purpose of receiving dividends. Admitted claims will not appear on future lists circulated by the Liquidator.

As noted above, the Liquidator is continuing to review the proofs of claim filed. The Liquidator will therefore circulate additional listings of claims it proposes to admit from time to time. The process of objecting to those additional claims will be as described above.

The address for service on the Liquidator is as follows:

KPMG Inc., Liquidator of Confederation Life Insurance Company
800 Bay Street
8th Floor
Toronto, Ontario
M5S 3A9

Facsimile No. (416) 323-2253

Attention: I. George Gutfreund

With a copy to:

Goodman Phillips & Vineberg
Barristers and Solicitors
Suite 2400
250 Yonge Street
Toronto, Ont.
M5B 2M6

Facsimile No. (416) 979-1234

Attention: Gale Rubenstein

Please note, the fact that you have received this letter does not mean that your claim has been admitted by the Liquidator.

Yours very truly,

CONFEDERATION LIFE INSURANCE COMPANY by
its Liquidator, KPMG Inc.

I. George Gutfreund
Vice-President, KPMG Inc.
G26\4323165.7

**THE ATTORNEY GENERAL OF
CANADA**

and

**CONFEDERATION LIFE INSURANCE
COMPANY**

Commercial List Court File No: 97-BK-000543

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Solicitors for KPMG Inc., the Liquidator of
Confederation Life Insurance Company

G26\4323465.4

CONFEDERATION LIFE INSURANCE COMPANY, IN LIQUIDATION WEBSITE LEGAL DISCLAIMER

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This Site is not an official reporter, and the Liquidator does not guarantee that all information is error free, complete, or accurate. The Site does not purport to provide complete records of all litigation and legal documentation pertaining to Confederation Life Insurance Company, in Liquidation. The Site contains no legal advice and nothing herein shall be taken, implied or construed as an offer to provide, or a provision of, legal advice. The Liquidator may change, modify, suspend, or discontinue the Site at any time without notice.

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External links are provided on the Site as aids to help you identify and locate other sources of information that may be of interest, and are not intended to state or imply that the Liquidator endorses, sponsors, is affiliated or associated with or is legally authorized to use any trade name, registered trademark, logo, legal or official seal, or copyrighted symbol that may be reflected in the links. In no event shall the Liquidator, its employees, agents, consultants, legal counsel, contractors, or affiliates accept responsibility for the accuracy of the link, the accuracy or completeness of any information obtained through any link. The Liquidator further warns against reliance on any information contained therein and further disclaims any knowledge or information as to the truth or accuracy of the information contained therein.

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